



Budget Highlights - FY 2022

Kevin Smith & Kelly Woo

FY 2022 BUDGET OPPORTUNITIES DISCUSSION

- Objective for the meeting is to review budget goals and funding opportunities for the FY 2022 Budget.
- Budget Calendar Year of Jan. 1, 2022 to Dec. 31, 2022.
- Staff has identified 12 ***Budget Opportunities*** for discussion
- We will discuss budget opportunities for funding consideration in 2022 and beyond as well as other items the Board would like to discuss.
- First Preliminary Budget and Narrative will be presented at the Sept. 22, 2021 Meeting
- Information and Guidance only today.

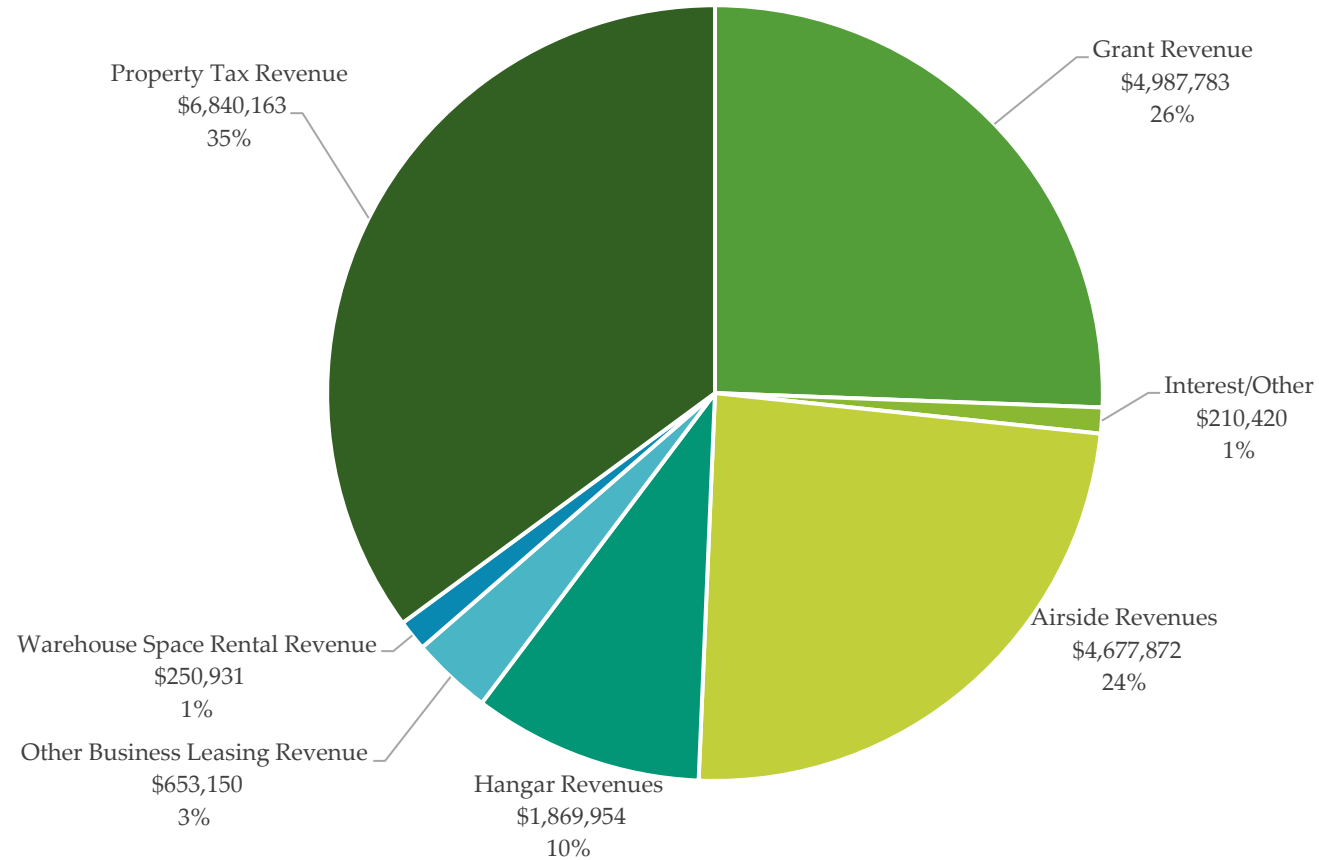
Budgeting Process...

- Further refinement and development of the budget over next three months.
- Discuss any items relevant to budget planning for FY 2022.
- Next budget review: September 22, 2021.
- Second budget review on October 27, 2021.
- We can do Special Budget Meetings if necessary.
- Final Budget approval: December 1, 2021 Regular Board meeting.

OPERATING REVENUES

FY 12/31/2021

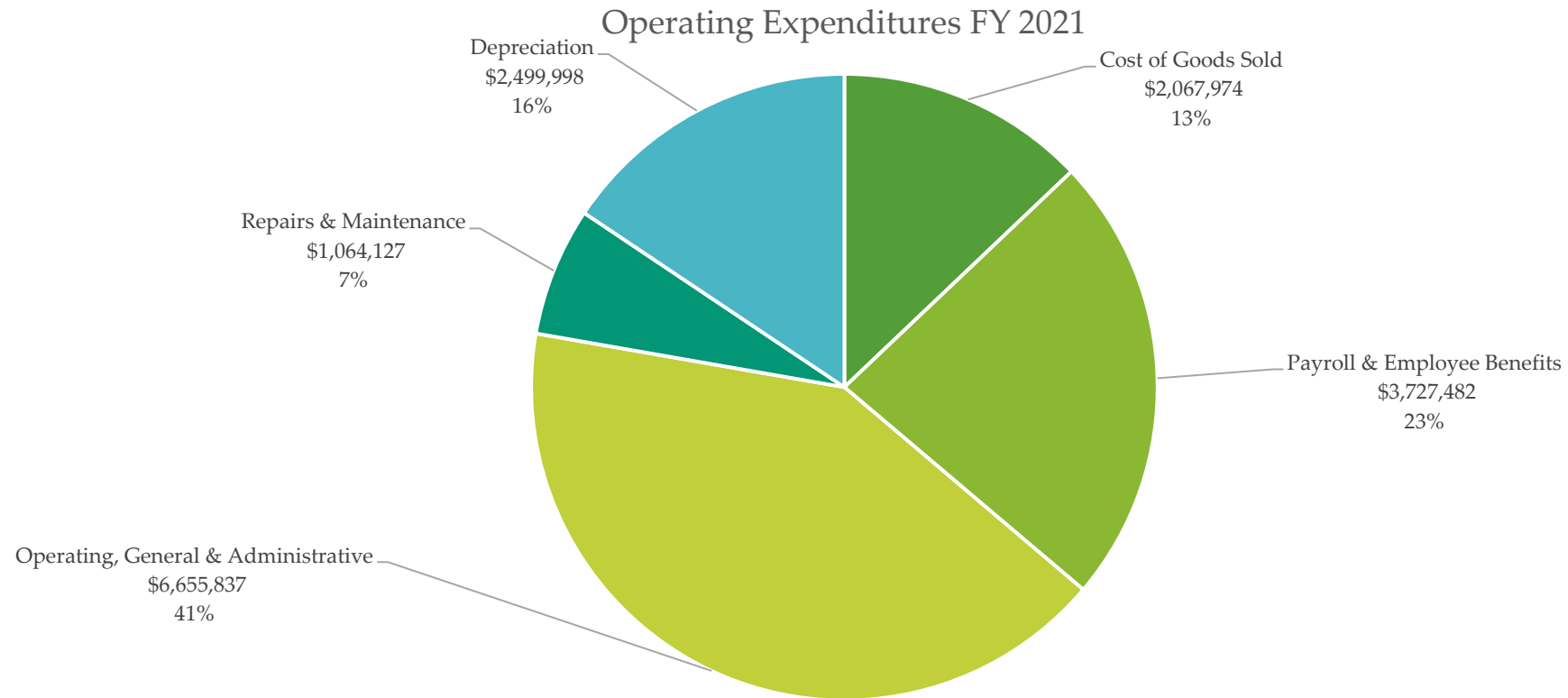
\$19,490,273 (estimated Year End)



OPERATING EXPENDITURES

FY 12/31/2021

\$16,015,417 (Estimated Year End)

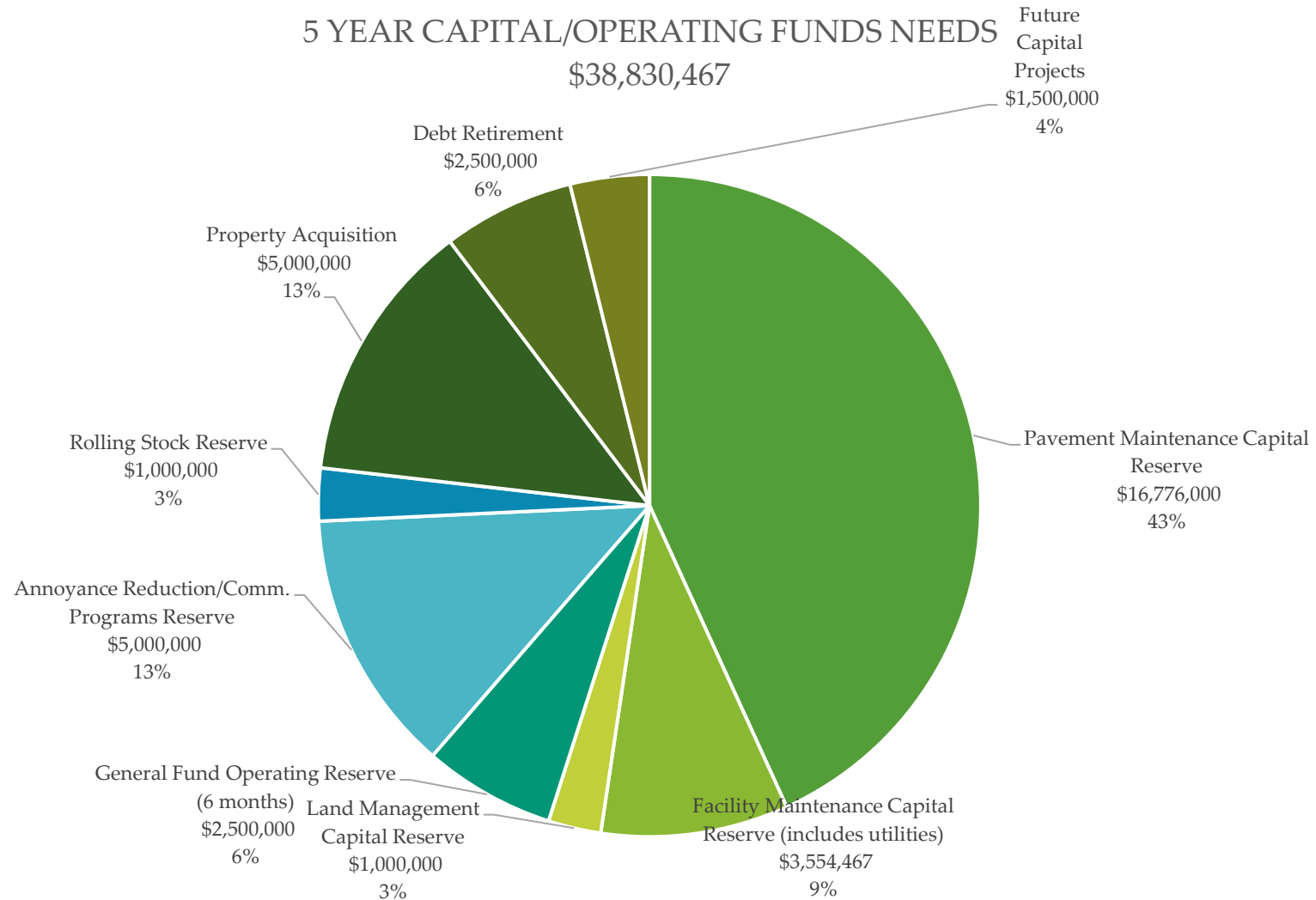


CAPITAL/OPERATING RESERVES

Target Reserves	Capital Operating Reserve Recommendation	Percentage	5 Year (2022 – 2026) Capital/Operating Funding Needs	Percentage
Pavement Maintenance Capital Reserve	\$1,000,000	15%	\$16,776,000	43%
Facility Maintenance Capital Reserve <small>(includes utilities)</small>	\$500,000	8%	\$3,554,467	9%
Land Management Capital Reserve	\$300,000	5%	\$1,000,000	3%
General Fund Operating Reserve <small>(6 months)</small>	\$990,200	15%	\$2,500,000	6%
Annoyance Reduction/Comm. Programs Reserve	\$500,000	8%	\$5,000,000	13%
Rolling Stock Reserve	\$250,000	4%	\$1,000,000	3%
Property Acquisition	\$1,000,000	15%	\$5,000,000	13%
Debt Retirement (CalPERS, Hangars)	\$500,000	8%	\$2,500,000	6%
Future Capital Projects	\$1,500,000	23%	\$1,500,000	4%
Total <small>(2021 Year End Estimate)</small>	\$6,540,200		\$38,830,467	

5 YEAR CAPITAL/OPERATING FUNDS NEEDS

\$38,830,467



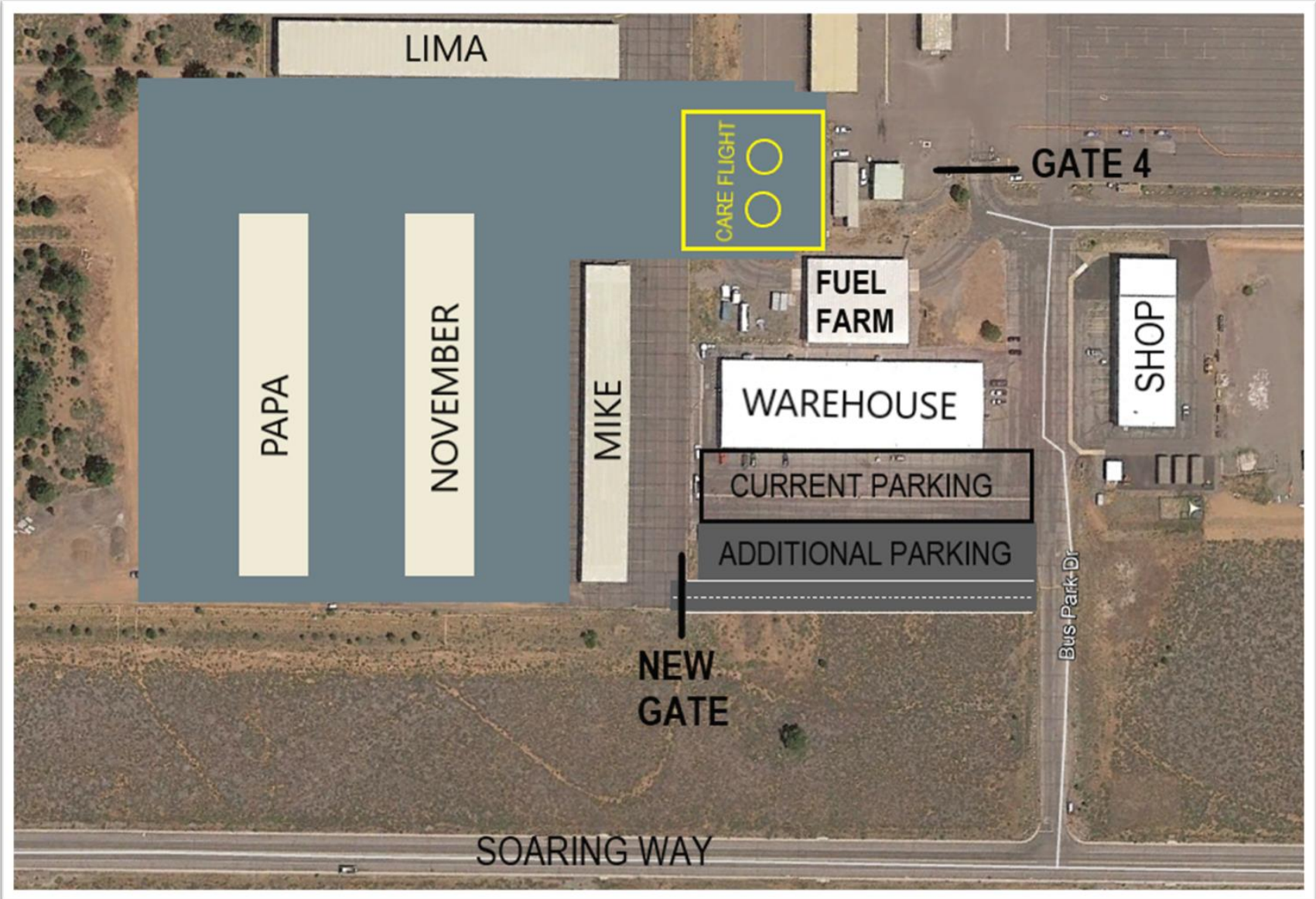
Budget Opportunities

1. Pavement Management

- Staff proposes to include \$950,000 for annual pavement maintenance projects.
- These funds will be used to meet our AIP FAA match requirement for new FY2022 projects as well as one other non-AIP eligible pavement project. Staff would like complete the warehouse parking lot expansion and access gate project. Engineers estimate for that project was \$948,983. We hope to get better pricing by bidding early in year 2022.
- The only AIP Project for 2022 is the Runway 2/20 reconstruction design work at \$410,500. This grant is 100% funded by FAA.
- The updated 5 Year ACIP will be presented for approval at the Sept. 22, 2021 Board Meeting.
- FAA will likely fund construction of Runway 2/20 in 2023. Grant funding for that project is expected to be approximately \$4,522,000.

2. Warehouse Parking and West Hangar Rows Access Gate

- Staff would like to propose construction of a new access Road and Gate to our West Hangar Rows and Warehouse.
- This new access road would move all west hangar access to a more efficient access point away from medivac, fuel farm, and operations facilities. This would also give an opportunity to provide more parking spaces at our current warehouse area.
- This project is not eligible for FAA AIP funding.
- Last year based on construction estimates in 2020 we budgeted \$470,000 for pavement and gate system.
- Due to rapidly escalating construction costs in 2021 the engineers estimate is \$900,000.
- Staff has completed design and permitting and would like to bid this project this year and complete in late spring and early summer.



3. Funding for Regional Housing, Transit, and Agency Partnerships

- Staff Proposes \$1,000,000 for Housing, Transit, and Agency Partnerships in FY2022. This is the same amount of funding as 2021.
- Board can discuss how much to allocate to each category.
- Funds can be moved between categories by the Board of Directors based on funding needs.
- In addition to these funds, the following commitments from prior years will be included in the Budget separate from the \$1,000,000.

<u>TRANSIT</u>	<u>HOUSING</u>	<u>AGENCY PARTNERSHIPS</u>
- \$160,000 for TART Free Fare Project - \$92,977 for Free Night Rider Transit Service - \$40,000 for Community Event shuttle Program - \$3,500 for Airport North Lake Tahoe Express - \$67,000 Highway 267 Year-Round Service	- \$30,000 for Workforce Housing JPA - \$55,000 for Mountain Housing Council	- None
Total \$363,477	Total \$85,000	Total \$0

4. Community Sponsorships and Partnerships

- The FY2021 Budget included \$100,000 for Sponsorships. (\$0 to \$3000).
- District is on tract to spend approximately \$70,000 of the \$100,000 budgeted in FY2021 on individual community sponsorships. There has been reduced demand for these funds due COVID-19 impacts.
- Staff proposes \$100,000 for FY2022.
- The Board discussed the possibilities of a Scholarship Program for 2022. This can be discussed more.
- The Board also discussed having a Matching/Challenge requirement with other public agencies for Agency Partnerships (\$3001 or More)

5. GHG Funding and Projects

- To continue with implementation of our 2018 GHG Reduction Plan, Staff recommends the following:
 - Wi-Fi system for Hangar rows to allow for Smart Block Heater technology. \$75,000 to \$90,000. (part of 2018 GHG Reduction Plan)
 - Additional conversion of lighting systems to LED - \$20,000 (part of 2018 GHG Reduction Plan)
 - Funding for the GHG Collective Program with Town of Truckee and Truckee Donner PUD. - \$50,000 (initial investment is approximately \$17,000)
 - Investigating Solar Generation. This could be part of Hangar Replacement as well as included in our GHG Reduction Plan.
 - Other Projects that may come up though the year - \$100,000
 - Join Good Traveler Program - \$10,000
 - Total Budget Request: \$270,000

6. Airport Master Plan Update

- Provide funding to update the 2015 Airport Master Plan.
- Much of the current master plan is still relevant but updates to various chapters such as Facility requirements and Development Alternatives may be warranted.
- We likely will want to add a sustainability chapter.
- Aviation Forecast and ALP are updated.
- This is a very large project requiring significant staff time. Other larger or involved studies should be tabled in 2022 to complete this work.
- Staff Estimates \$400,000 to complete this project. If the Board desires to consider a 3rd Runway for submittal to FAA for review, an addition \$300,000 should be budgeted for a NEPA compliant Environmental Impact Statement. FAA will not review a 3rd Runway proposal with out a full NEPA review.

7. District Employee Staffing Request

- Staff is considering additions to staff for Aviation and Community Services and Operations and Maintenance Department for 2022. The last FTE addition to District Staff was in 2018. The District currently has 25 FTEs along with a seasonal labor pool of employees that range for 2 to 5 at various time of the year.
- With the increase in project work, airfield maintenance needs, increases in FBO service needs, Senior Staff requests additional staffing support to meet these needs.
- Staff is considering full time permanent Administrative Clerk support to staff front counter of Administrative Offices. Funds for this position are currently in the budget as seasonal/temporary.
- Senior staff is also requesting additional ramp support personnel to accommodate the influx of activity on our FBO Service ramp as well as to attend to airfield maintenance needs. We are considering some level of conversion of our winter and summer seasonal workers to full time status. Much of the salary and wages for these positions are already budgeted. We plan to bring a proposal forward at our September 22nd Board Workshop outlining this proposal.

8. Replace Caterpillar Loader

- Provide funding to replace the 1996 Caterpillar Loader 950F with a new 938M Loader.
- The current Loader is 25 years old and in need of replacement. It is also a Air Quality Emissions Tier 1.
- The new proposed Caterpillar 938M is a Tier 4 engine which operates more efficiently and cleaner then the previous.
- We have one other 938 model which are a bit smaller then the previous 950 models. We find these agile and capable especially in tighter areas in parking lots and in hangar rows.
- The new loader cost is \$239,293. This price was procured through our US Communities national procurement system. The previous loader likely has a market value of \$35,000 to \$45,000. These funds will be used to offset the price of the new equipment.

8. Loader Comparison



1996 Caterpillar 950F – To be replaced



Proposed Caterpillar 938 Model

9. Warehouse Sprinkler System

- We have been studying the need and ability to install this system for a few years. Now that tenant improvement work is complete staff proposes to install this system. Estimated cost is \$350,000. This would be for a dry system.

10. Additional Payment to CalPERS UAL.

- The Board asked staff to include an additional \$500,000 payment to address the Unfunded Accrued Liability (UAL) related to the District's employee pension system. This payment would be used to offset the District current pension liability of \$2,937,988 at 12/31/20. The District last made a similar payment in August 2021.

11. Proposed Studies for 2022 (in addition to Master Plan)

- **Fuel Farm Jet A Storage Capacity Analysis - \$10,000**

In order to assure we continue to keep adequate supplies of JET A in stock during peak periods, staff recommends having an expert review the District's storage capacity, flowage rates and delivery requirements to keep the District stocked with Jet A. This will help us understand if our fuel farm is sized appropriately.

- **Control Tower Design Feasibility Study - \$50,000**

Staff would like to begin a more formal process to understand future facility needs and a path forward for the District regarding a permanent tower facility. The current temporary facility is approaching the mid point of its service life. The District needs to discuss and strategize a long term plan for our ATC facilities.

- **ATIS/FDIS Analysis - \$20,000**

Staff would like to investigate the possibilities of replacing our Airport Automated Weather Observation Service (AWOS) with an Airport Terminal Information System (ATIS) . ATIS can provide more detailed information to pilots as well as instructions and is more common at airports with air traffic control towers. Flight Data Input Output (FDIS) provides IFR clearances strips (paper) to Controllers in the tower rather than receiving them verbally by phone with Controllers at OAK Center. An FDIS can improve efficiency in the Tower.

11. Proposed Studies for 2022 (continued)

- **Communications Plan - \$25,000**

At various times, the Board and Staff have discussed the idea of formalizing a District communications plan that gathers the various communication practices and strategies into one place. We have worked with Aviatix on a Communications plan and have various components in place. This effort would finalize that process with additional Board input.

- **TTAD Website Redesign - \$75,000**

This project would work in tandem with the communications plan project. Board and staff have discussed the possibility of redesigning our District website with improved mobile device capabilities. This funding would be used to complete this effort. More detail as well as scoping this project is necessary should the Board decide to move forward and fund this project.

- **Replacement Building for Current EAA Building – \$25,000**

Director Stephens and Staff have suggested looking at replacement facilities for the EAA Chapter 1073 as well as more suitable office space for our Civil Air Patrol Squadron. The current building housing EAA needs to eventually be removed. This funding could explore alternatives for relocation of these non-profit tenants.

- **Analysis of Hangar Row Replacement with Shade Hangar - \$25,000**

As some of our older hangar rows come up for replacement significant maintenance or in some cases are unable to be repaired or upgraded, the District could consider replacing an old hangar row with shade hangars. This would offer a lower price point and more affordable hanging option for constituents. There is an option to build solar shade energy hangars. Shade hangers are routinely constructed in mountain climates with significant snow.

12. Additional List of Budget Items for consideration in 2022

- \$275,000 for 2022 Air Show.
- \$125,000 for Runway and Taxi way stripping (annual programmed expenses).
- \$183,500 for Network, Security, GIS, and web service equipment.
- \$175,000 for Forest Management improvements.
- \$200,000 for continued Flight Procedure Development
- \$669,000 for Facility Maintenance Plan projects per new FMP.
- \$100,000 for additional airport perimeter fencing in strategic areas.
- \$960,000 for Tower Staffing

12. Additional List of Budget Items for consideration in 2022

- \$160,000 for Generator Replacement (GHG Plan Recommendation)
- \$190,000 for Waterline connection to west side properties and N&P row Hangars for Fire Protection.
- \$60,000 for Playground Expansion
- \$160,000 for Obstruction Removal (Trees)
- \$85,000 for renewal of Boys and Girls Club Contract for Service
- \$80,000 to refresh and paint Dry lake Obstruction Beacon
- \$120,000 for replacement to Hangar 1 Door
- \$65,000 for Snow Melt System for Administration Building
- Staff is considering proposing a matching 401a or 457 program.

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